

Running head: Low Cost Solutions to Fire Department Retention

Low Cost Solutions to Fire Department Retention

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CERTIFICATION STATEMENT

I hereby certify that this paper constitutes my own product, that where the language of others is set forth, quotation marks so indicate, and the appropriate credit is given where I have used the language, ideas, expressions, or writings of another.

Signed: _____

Abstract

The problem is the Salem Fire & EMS Department has lost more than 10 personnel to other agencies in the last 10 years. The purpose of this applied research project was to identify ways to retain personnel in the Salem Fire & EMS Department without increasing cost. The descriptive method of research was utilized to identify low cost solutions the department can utilize to improve its employee retention. The questions the research attempted to answer include why leaders should make employee retention a priority, what are current employee retention strategies within the department, what factors that employees to leave or consider to leave organizations, specifically within the Salem Fire & EMS Department, and to identify successful retention ideas currently utilized by other organizations. The research focused on reviewing literature by experts in the human resources field and interviewing current and past employees of the department to determine the current status of the department's employee retention strategies and to gather suggestions on ways the department can improve. The results of the research found that monetary incentives were not as important as a positive work environment, employee morale, and participation within the organization. The recommendations focused on improving employee morale, ensuring employee participation, and implementing processes in which employee retention is a priority for all levels of management.

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Introduction

The Salem Fire & EMS Department is a small all career department with sixty-four uniformed members, located in southwest Virginia. The problem is that in the last 10 years the department has lost over ten personnel to other agencies. Each time one of the firefighters left, it created significant cost to the department. This cost came as additional overtime to cover the vacant positions, recruiting and hiring costs, and the cost of training the new personnel. The department does not currently have the budget to increase pay or create monetary incentive plans to retain employees, so low cost solutions to maintain the current employees need to be identified and implemented.

The purpose of this applied research project is to identify ways to retain personnel in the Salem Fire & EMS Department without increasing cost. The techniques, principles or practices identified to retain the organization's current employees will be utilized to attempt to reduce future turnover and related costs to the organization.

The descriptive research method will be utilized to identify low cost solutions the department can utilize to improve its employee retention. The research will look at some reasons employee retention needs to be a management priority. The research will identify why employees leave organizations including the Salem Fire & EMS Department. The research will review ideas and techniques that are currently in place in various organizations to retain current employees, and create low cost employee retention recommendations. The research will answer the following questions:

1. Why should leaders make employee retention a priority?
2. What is the Salem Fire & EMS Department doing to retain its employees?

3. What factors cause employees to leave or consider to leave organizations, specifically the Salem Fire & EMS Department?
4. What successful retention techniques, principles or practices are public service and private sector organizations currently utilizing to retain their employees?

Background & Significance

The Salem Fire & EMS Department is made up of 64 uniformed and two civilian personnel, as well as sixteen part-time emergency medical technicians. The department covers over fifteen square miles and operates out of three stations. There are nine personnel assigned to the administrative division and 57 personnel assigned to the operations division. The staff personnel consist of a Fire Chief, Deputy Chief, Fire Marshal, EMS Coordinator, Training Officer, Fire Inspector, Apparatus Technician, Executive Secretary, and an Administrative Assistant. The operations division is divided into three platoons with each platoon being led by a Fire Captain, two Fire Lieutenants, and an EMS Supervisor. Each platoon is staffed by nineteen personnel, with two additional part-time medical personnel staffing an ambulance. The department responded to over 4,000 calls for service in 2009.

The problem is that over the last ten years the department has lost more than 10 personnel to other agencies. This number might not seem like a lot to a medium to large fire department, but the number is high for a small department that must struggle to maintain minimum staffing. Many times when someone has left the organization, the department has had to pay overtime to staff the vacant position to ensure minimum staffing. This created a significant expense for the department, causing the department to exceed its allocated overtime budget until the position could be filled.

The personnel who have left the organization have been made up of various ranks throughout the organization. Personnel who have left in the past 10 years for reasons other than retirement include a Battalion Chief of EMS, Captain (Emergency Services Specialist), Lieutenant (Fire Inspector), and 11 firefighters. The three fire officers who left were all assigned to administrative positions within the department. These vacant positions did not create an overtime cost, but did drastically affect the daily operations of the department. Every time the organization has lost a staff officer, the organizational effectiveness of the department has been affected due to the officer's projects or duties being put on hold or delegated to someone else who may not have had the time or skills and abilities to complete the project or carry out the duties of the out-going officer. The vacant officer positions also caused an overtime expense as personnel were promoted to fill each position leaving a vacancy in operations, which had to be filled utilizing overtime.

The vacancies have also left a gap in experience of personnel. Some of the firefighters and fire officers who have left the organization for other agencies have had more than 10 years experience in the department. This experience and job knowledge cannot be replaced with rookie firefighters who were hired to replace them. This gap in experience has affected the department's organizational effectiveness.

Recently, the department had a Captain (Emergency Services Specialist) leave the department to pursue a career as a hazardous materials response specialist for the Virginia Department of Emergency Management creating a staff officer vacancy which in the past was automatically filled. However, due to the slow economy and budget cutbacks, the decision was made by City management to permanently cut the position which took the department's full-time staffing of 65 personnel to its current compliment of 64 personnel.

The City of Salem has not laid-off any full-time personnel; but, at the current time, there is a hiring freeze that will not allow departments to fill vacant positions. Filling any future vacancies will be taken on a case by case basis, and will depend on the City's budget and the department's needs. Presently, the department is at full staffing; however, in August, the department will lose another firefighter/medic that will be leaving the department to enroll in a Physicians Assistant Program at a local college creating a vacancy on a platoon that may or may not be filled. If City management decides not to fill this position, the department will be forced to pay additional overtime to fill the vacancy or reduce the required minimum staffing standards. Either decision will affect the organizational effectiveness of the department by reducing the department's operating budget or reducing the number of on-duty firefighters. Personnel leaving the organization in the future may impact the effectiveness of the organization even more drastically than in the past, as City leaders look to reduce budgets with reduced staffing.

In the National Fire Academy's Executive Development course, first year Executive Fire Officer Program participants studied change management and organizational culture. To successfully create and implement low cost firefighter retention strategies and procedures, many of the lessons learned in implementing change and assessing the department's organizational culture will need to be utilized. Both of these topics were extensively covered in the Executive Development course.

This project will support the United States Fire Administration (USFA) operational objective of improving the fire and emergency services' capabilities for response to and recovery from all hazards. The goal of this project is to create recommendations to improve the retention of emergency response personnel. If the recommendations are implemented and the organization

is able to retain the experienced personnel, the fire and emergency services' capability for response to and recovery from all hazards for the City of Salem will continue to improve.

Literature Review

To effectively answer the research questions and to gather as much information as possible on the topic of employee retention, the author reviewed many books and articles on the subject. During the research on the World Wide Web, one fact was evident; employee retention is not just a fire department problem, a local government problem, or a problem just for governmental agencies but a problem that faces every organization regardless of size or type. There are many human resources consultants and businesses that specialize in employee retention, and it appears that many organizations are beginning to realize the importance of retaining current employees to be successful.

The International Fire Service Training Association (IFSTA) *Chief Officer* manual emphasizes the importance of employee retention by pointing out how, "the premature loss of experienced personnel affects the organization in loss of knowledge, skills, and leadership ability" (2004, p.200) . This is especially true when the employee is an officer or has more than 10 years of experience with the department. The job knowledge, training, and experience will never be replaced by a newly hired rookie firefighter. Each time one of these types of personnel decides to leave a department, the operational effectiveness of the organization suffers. The *Chief Officer* manual also emphasizes the importance of chief officers making firefighter retention an important part of their organization.

In an article by R. Thompson, the author highlights the financial loss that some organizations suffer as a result of employee turnover. She states that some organization's turnover expense can run over \$100,000 for a skilled position, and she points out that there are

other costs associated with employee turnover, such as “loss of intellectual capital, decreased morale, increased employee stress, and negative reputation” (Thompson, 2004). Fire department employee turnover may not directly cost the department as much money as mentioned by Thompson, but there are some definite direct costs such as overtime pay and the cost of hiring and promoting individuals to fill the vacant positions. The other associated costs identified by Thompson also apply. The experience and training a firefighter or fire officer possesses is in fact part of the intellectual capital of the department and the loss makes the department weaker. There is added stress and decreased morale when someone leaves the organization; this added stress may come in additional work required to cover the vacant position while the position is filled. Although the fire department is not a for profit business, there are definitely some similarities with the private sector. The cost of employee turnover must be considered when implementing new programs or strategies to retain employees.

In an article by R. Powers, the author emphasizes the importance of retaining medical personnel such as emergency medical technicians (EMT) and paramedics (Powers, 2007). He states that there is a 20% turnover rate for EMS providers in some parts of the country. This turnover rate will affect the services these agencies provide, and the author explains that there are agencies that have had to take ambulances out of service due to staffing shortages. Powers points out that an organization must make employee retention a priority, especially when dealing with medical response personnel. This article also gives some ideas on how to retain these personnel, which will be referred to later in the paper. The Salem Fire & EMS Department currently relies on personnel trained as Emergency Medical Technician – Intermediates (EMT-I) and paramedics to staff the advanced life support (ALS) units the department operates. These personnel regularly receive recruitment brochures from larger agencies, some from outside of the

State of Virginia. These departments can offer our ALS personnel more money, more promotional opportunities, and more benefits than we can, posing a great threat in keeping our current employees. Powers points out the reality that those agencies that provide EMS services are competing with each other as each struggles with staffing issues. The article is very beneficial to this project as it demonstrates that agencies cannot sit and do nothing about employee retention.

In an article by T. Griffith, the author explains the difference between firefighter retention in the past and firefighter retention now and in the future. “Fire service managers can say goodbye to the days when the boss was king and the employee was just glad to have a job” (Griffith, 2006). This quote explains fire service retention quite well. In the past, our organization has had up to 400 applicants for one or two available jobs. As localities begin to move from an all volunteer fire department to a combination volunteer and paid department, many of the previous applicants have been hired by other agencies. Other potential candidates have moved out of the area to work in larger metropolitan departments. Another change in the fire service that makes Griffith’s statement true and very applicable to our department is the quality of our current personnel. Our current personnel are highly skilled in EMS, technical rescue, hazardous materials, and advanced firefighting procedures. They will be hard to replace and are definitely not just “glad to have a job.” This article does a great job in explaining why employee retention in a fire and EMS department is important.

In an article by R. Blake, the author explains the costs of employee turnover (Blake, 2006). The author gives several formulas for organizations to use to estimate the cost when an employee leaves an organization. In the article, the author provides a quick calculation to estimate the cost of an employee leaving an organization. The formula takes into consideration

all of the recruiting, hiring, training, and reduced productivity costs. The author suggests using 30% to 50% of the employee's annual salary to get an estimate of the cost to replace an entry level employee; the percentages go higher if the employee is in management (ex. 150% for middle management). The starting salary for a newly hired employee within our organization is \$35,000 annually. If we use Blake's formula it will cost the department approximately \$14,000 to replace an entry level firefighter. This cost would be much higher for someone who has been with the department longer, or to replace a fire officer. Blake's article was beneficial to this research project as it provided a way to demonstrate a need for leaders to focus on employee retention by putting an estimated cost on employee turnover.

The next part of the project was to research why employees leave organizations. This is important to determine in order to identify what problems need to be addressed when recommending employee retention ideas.

In an article by executive coach D. Hamlin, the author gives some top reasons she feels employees leave organizations (Hamlin, n.d.). The top three reasons she gives is that employees feel the organization's mission is unclear, their role in the organization is unclear, or they do not believe their opinion matters to the organization. The majority of the list involves employee motivation or participation and only the last reason involves monetary benefits such as employee pay. The author concludes that employee pay is an issue with employees leaving an organization, but only after many of the other reasons led them to look elsewhere. The article was useful to this project as it provided a list of reasons that employees leave organizations, many of which did not involve money but employee involvement and motivation.

In an article by human resources consultant R. Blake, the author explains why he feels employees leave organizations (Blake, 2006). He also gives a top ten list, although his list does

not include order of importance except for the first item. The top item on his list is that employees leave organizations when they have a poor relationship between them and their immediate supervisor. The author also gives some advice on how to resolve this issue, such as implementing a training program that will let supervisors know the importance of employee retention and also to provide them training in providing positive feedback and motivating employees. The majority of the reasons employees leave organizations given by Blake did not involve monetary incentives, but instead focused on counseling/coaching and organizational culture. The article was very informative in that the author gave reasons why employees leave organizations but also because he gave solutions to each reason. The majority of these solutions are applicable to the Salem Fire & EMS Department employee retention.

The International Association of Administrative Professionals (IAAP) published an article on their website listing once again the top reasons employees leave organizations (www.iaap-hq.org). The article demonstrated once again that monetary compensation is not the most important reason personnel leave organizations. The top three reasons listed were poor management, lack of promotional opportunities, and poor communication. The article was effective in demonstrating once again that monetary compensation is not the most important issue in employee retention. The lack of promotional opportunity is something that, as a small department, definitely affects the Salem Fire & EMS Department and needs to be addressed in a long term retention plan. The management and communication issues may be alleviated in a comprehensive management training program. The article also points out that management must not ignore these types of problems but address them as soon as possible.

In an article by D. Swinhart, the author looks at what specific reasons EMS providers leave one organization for another (Swinhart, 2007). He sites items such as poor leadership,

political reasons, low pay, lack of promotional opportunities, and not feeling appreciated. The author was able to develop this list of reasons by surveying a cross section of 300 medical responders. Swinhart found that the majority of employees just need to feel that they are an important part of the organization, want to be treated fairly, and shown respect. He also points out that employees want to know what is expected of them and that they have a voice in the organization. The majority of items Swinhart identifies can be mitigated utilizing basic management skills, much like the other articles that have been cited. The article was very useful in that it provides reasons why EMS responders leave organizations and offers solutions to the identified reasons employees leave organizations.

It is important to understand why employees leave organizations. In order to be effective, managers must implement strategies that address each of these issues. The articles that were reviewed all give good reasons why employees leave organizations and most went in depth explaining each identified reason. The articles were very helpful in indentifying retention problems in order to develop retention ideas to mitigate each problem.

The next question was to identify what other retention techniques, principles or practices other organizations are utilizing to retain employees. To answer this question many literature sources were looked at, including articles and books written by business leaders, consultants, and fire chiefs.

In the book *Creating Magic* written by a former vice president of Walt Disney World Resorts, the author, L. Cockerell, expresses the importance of motivating employees in order to retain them. As stated earlier, many of the reasons employees leave organizations have nothing to do with compensation, rather they deal with employee job satisfaction, organizational culture, and feeling like they make a difference. Cockerell utilized the acronym “RAVE: respect,

appreciate, and value everyone”, when dealing with employees (Cockrell, 2008, pg. 35). This seems like a simple acronym, but in the book Cockerell demonstrates many different examples of how utilizing this simple acronym paid off in creating employee satisfaction and retention. The book demonstrated how Walt Disney World, one of the world’s largest employers, creates a sense of belonging for all employees regardless of job or seniority. This high regard for employee satisfaction is reflected in both policies and training. Managers are expected to value employees and treat them with a high level of respect. This initiative has been very successful for the company’s operations, and has helped to make them one of the world’s most successful companies. The book was very valuable in demonstrating how managers can make a difference in employee morale and job satisfaction through simple gestures that demonstrate to the employee that they are valued employees and that management cares about them.

In an article written by management consultant G. Smith, the author gives some strategies in how to retain employees (Smith, 2000). Like many of the previous referenced authors, Smith agrees that compensation and benefits only go so far in employee retention. Smith studied both the military and the corporate world in creating his strategies. Most of Smith’s strategies involve management ideas such as making employees feel appreciated, work climate surveys, leadership skills, and ensuring employees have a “purpose” in the organization. Smith’s ideas focus more on the one on one interaction supervisors have with their subordinates and gives ideas to make these one on one interactions more effective. He also demonstrates the importance of supervisors truly caring about their employees and their morale, in order to ensure they stay motivated and want to stay with the organization. Smith’s article is valuable in that it suggests many ideas that can be implemented in an effective employee retention program. It also reinforces the importance of manager involvement in retaining employees.

Reviewing the works of the previously cited authors, the importance of employee morale and involvement is a very important factor in retaining employees. In the book *Fire Service Personnel Management*, the author S. Edwards (2010, 49-50) describes ways leaders in the fire service can create and maintain a positive work environment. He suggests the following factors contribute to a positive work environment: fairness, respect, trust, flexibility, and sensitivity. This book provides many beneficial ideas for fire department leaders to ensure a positive work environment for employees, including some low cost incentive ideas for employee retention. This book was important because it pointed out that creating a positive work environment should be instilled in fire service leaders at all levels in the organization. Providing training programs and support to officers that instill the importance of a positive work environment will help to ensure employees are motivated and less likely to leave the organization.

In an article written for the Harvard Business School, the author P. Michelman, (2003) points out the importance of focusing on the individual and getting out of the “they have no place else to go” strategy. The author suggests that managers should talk to employees and find out what motivates them personally, and try to meet each individual’s needs. He also suggests conducting periodic employee surveys to identify negative morale or retention issues. Michelman’s article demonstrates the importance of supervisor’s responsibility in employee retention. The article was valuable in demonstrating the importance of supervisors talking and more importantly listening to their employees to ensure that employees feel motivated and comfortable to stay with the organization.

The literature demonstrates the importance of employee retention efforts, the true cost of employee turnover, and examples of what needs to be included in employee retention practices.

The information contained in the literature review will be utilized in creating the recommendations for employee retention for the Salem Fire & EMS Department.

Procedures

The purpose of this project is to create recommendations on retaining employees within the Salem Fire & EMS Department. A review of relevant literature was done to discover what other organizations and disciplines were doing in ensuring they maintained their current employees. Several current and past employees were interviewed to determine how employees felt the Salem Fire & EMS Department was doing in regards to employee retention, and why people had left the organization in the past. There was also a review of policies and procedures conducted to discover what types of employee retention programs were already in place within the department.

The literature review involved researching articles and books that dealt with employee retention, and answering the research questions. The majority of the articles came from research done on the World Wide Web. Most of the articles were written by business consultants who concentrated on employee recruitment and retention. These authors seemed to be the experts in the employee recruitment and retention field, and most of the authors had backgrounds in consulting with Fortune 500 companies in the field of employee retention. The books reviewed were mostly in fire service management, with the exception of a former Walt Disney World executive. This book was chosen because of the reputation the Walt Disney World Corporation has in developing and keeping quality employees. The books provided good fundamental practices that can be utilized both inside and outside of the fire service. The literature provided a good source of information for developing ideas for employee retention.

Current and previous employees of the organization were interviewed to determine what employee retention problems existed, including what the department was doing right and what the department was doing wrong (see Appendices A & B for interview questions.) During the interviews with approximately 40 current and five previous employees, participants were asked about why they chose to work in the department, why they felt people had left the department, specific retention problems, and what the department could do to better retain current employees. The interviews provided an insight to how employees feel and what needs to be done to ensure employee retention for the future.

The policies and procedures of both the City of Salem and the Salem Fire & EMS Department were reviewed to both determine and evaluate the current employee retention programs. Several programs were identified as being important to retaining employees. The current policy and procedures were reviewed against the literature that was utilized in the literature review to determine possible needs.

There were some limitations to the procedures noted above. During the literature review a few articles, that looked like they would be valuable to the subjects were discovered but were inaccessible or were part of a for profit internet site. Some sites charged as much as \$199 to join and download articles from the site. There were also many articles found that did not have listed authors, but were part of a human resource consulting website. These articles had valuable information, but could not be utilized because of the difficulty in referencing. The employee interviews also had limitations in that there might have been some information held back because of fear of retaliation, even though it was made clear that all discussions were open and non-punitive no matter what was said.

Results

The research focused on developing ways the Salem Fire & EMS Department could increase its effectiveness in retaining current employees without increasing the cost to the department. As each part of the procedures were carried out it became clear that there are many low cost ways to effectively retain employees. The literature review included studying articles written by specialist within the employee retention field.

The first part of the research focused on determining why leaders need to make employee retention a priority. Most of the articles and books reviewed during the literature review pointed out that employee retention is an often overlooked but very important part of managing an organization. The IFSTA Chief Officer book (2004, p. 200) highlighted the fact that when an employee leaves a fire department, the cost of hiring a new employee is not the only thing that needs to be considered. Fire departments must realize that when an experienced firefighter leaves an organization the overall effectiveness of the organization suffers, due to the difference in training and experience levels of the outgoing veteran employee versus the newly hired rookie. Another author pointed out that an organization becomes weaker when experienced employees leave an organization (Thompson, 2004). The literature review revealed that if fire departments do not focus attention on employee retention their overall effectiveness will suffer.

The employee interviews revealed that employees realized that additional compensation and monetary benefits are difficult for localities to provide, especially in the current economy. The interviews demonstrated that firefighters within the Salem Fire & EMS Department care about employee retention, and that our organization faces some employee retention problems that will be discussed a little later. What was evident is that if our department does not begin to actively address employee retention there may be more employees leaving within the near future.

The employee interviews revealed that more focus is needed in employee retention, especially in improving employee morale.

The literature review coupled with the employee interviews provided answers to why leaders should focus on employee retention. The first is that if fire departments do not focus on employee retention and experienced employees begin to leave the organization, the departments will become weaker and less effective. Although the budget is an important part of fire department operations, nothing is more important than the actual line firefighter who must put his or her life on the line on a daily basis. If a department like ours begins to lose experienced firefighters and fire officers, then the safety of our personnel suffers. This could lead to firefighter injuries or worse yet firefighter fatalities. Retaining well trained firefighters and fire officers make the department safer. The second answer to why leaders need to focus on employee retention is the budget. In his article, R. Blake (Blake, 2006) gives a simple formula an organization can use to determine the actual cost of employee turnover. Utilizing Blake's formula, the Salem Fire & EMS Department loses an estimated \$14,000 every time a firefighter leaves the organization. Blake also points out that this number is substantially higher if the employee is a mid to upper level manager (Blake, 2006), such as a Lieutenant or Captain. In the past 10 years three of the employees that have left our organization were officers, including a Battalion Chief, Captain, and a Lieutenant. These mid to upper management employees each had specialized skills and were working on special projects when they left the organization. Each time one of these officers left, the department suffered a substantial loss. Fire service leaders must make employee retention a priority since it affects both operational effectiveness and the overall budget.

The next question was to determine what the Salem Fire & EMS Department is doing to retain its current employees. In reviewing the policies and procedures of the City of Salem and the Fire & EMS Department only a couple employee retention programs were noted. One was the City of Salem Leadership Development program and the Fire & EMS Department's educational incentive program. Both of these programs were designed to motivate employees to further their training and education. The City of Salem Leadership Development program was designed to prepare city employees to move into mid to upper management positions within the City. Participants in the two year leadership development program participate in management and leadership classes, and complete real world City projects with personnel from different departments. Most firefighters and fire officers that have participated in the program have developed a new appreciation for the City of Salem, and feel that they are better prepared in the event that they are promoted to higher position. Although the program was originally designed to prepare personnel for promotions, most participants come away from the program with a new appreciation of the City and increased morale. Overall, most participants believe the City of Salem's Leadership Development program is a great tool in employee retention. Another program that seems to work well in retaining employees is the educational incentive given to City of Salem firefighters and police officers (see Appendix C for educational incentive details). Originally the program was designed to lure prospective educated police and fire recruits to the City of Salem. The program has been utilized as a recruiting tool for new recruits, but often is not thought of as an employee retention tool. The majority of the employees that are eligible for the incentive feel that the educational incentive would play a factor if they were to ever consider leaving the department. The City of Salem Leadership Development program and the Fire & EMS Department educational incentive program are two employee retention tools presently in

place for the Salem Fire & EMS Department. However, after reviewing the literature and interviewing employees, it seems the department can do more to increase the effectiveness of employee retention within the department.

The next question was to determine what factors cause employees to leave or consider leaving organizations, specifically the Salem Fire & EMS Department. This is an important question to answer, because these factors have to be identified before recommendations on solutions can be made. The two methods used to gather information on this question were the literature review and the previous and present employee interviews. The literature review provided an overview of why employees from all types of organizations leave. The literature predominantly highlighted the fact that money and benefits are not the driving force behind employees leaving an organization. The literature review found that most employees leave organizations because of things such as, but not limited to, their relationship with their boss, lack of leadership, communication, and lack of promotional opportunities. The employee interviews revealed the same type of issues as the literature review. One of the primary factors that previous employees have left our organization was to pursue promotional opportunities elsewhere. A Battalion Chief left to take a job as a Deputy Chief with another fire department and a Captain left to take a regional hazardous materials coordinator's job. Both of these employees left to pursue advancement in their careers. There is not a lot the department can do to retain these people, as there are only a limited number of promotions periodically available in the department. Some personnel left to pursue a career in the same job, but in a bigger agency with more promotional opportunities and more incident responses. Once again, there is not a lot that can be done to retain these types of people. However, the interviews showed that some people did not like the management style of the Fire Chief or did not like the direction they

thought the department was heading in. More troubling was that a few people believed the department currently has employees thinking of leaving for reasons such as this. The employee interviews matched the authors that were mentioned in the literature review. When asked about why they felt employees had left the organization or are considering leaving the organization, answers included but are not limited to, leadership style, lack of vision, feeling like they did not matter, lack of promotional opportunities, feeling unappreciated, feeling their concerns are not addressed, and some feel like their opinions do not count. In answering the research question both the literature review and the employee interviews were in agreement. The reasons personnel leave organizations, more importantly the Salem Fire & EMS Department is predominantly morale related. The literature review and the employee interview results both seem to agree that employee retention initiatives should focus on creating a more positive work environment and increasing morale.

The next step in the research was to identify successful techniques, principles or practices that private and public organizations are currently utilizing to retain their current employees. Once again, a literature review and employee interviews were utilized to answer the question. One of the best sources in developing simple ideas to increase morale and retain employees came in the book by L. Cockerell, *Creating Magic: 10 Common Sense Strategies Leadership Strategies from a Life at Disney* (2008). In the book Cockerell focuses on simple ideas that leaders can implement to make all of their employees feel like they are part of the organization and more importantly that they make a difference. The ideas seem to be uncomplicated and effective, and do not cost leaders anything but time. Throughout the book Cockerell encourages leaders to get out, visit, and spend time with their employees. Principles such as the RAVE acronym (Cockerell, 2008, pg. 35), remind leaders to value all of their employees. Many of the

principles and practices suggested by Cockerell can easily be utilized in the fire service to increase morale and employee retention. During the literature review, many articles and management books were studied to find out what effective employee retention principles and practices were being utilized in other organizations. Every single resource verified that employee retention strategies should not only focus on monetary incentives, but on ensuring that employees felt a part of the organization and were happy with their role in the organization. The successful employee retention principles and practices that other organizations are using include, but are not limited to, creating a positive work environment, ensuring employee retention is a managerial focus, truly caring about subordinates, being fair, and coaching and motivating employees. All of these items involve manager involvement but little cost.

During the employee interviews, participants were asked their suggestions on what the Salem Fire & EMS Department can do to increase employee retention. Most employees that responded echoed the majority of ideas identified in the literature review. Employees in the organization felt that they would like to be more involved with the department, by possibly serving on committees or teams to help solve problems or improve the organization. Many of the personnel interviewed did not feel like they were appreciated by upper management and suggested that the Fire Chief and the Deputy Chief need to visit the stations more and give more recognition when personnel accomplish goals. Some of the other suggestions include, but are not limited to, being flexible, creating more promotional opportunities, involving personnel in the planning process, awards programs, updates to the department's website, developing an employee newsletter, task delegation, and improved communications.

The results of the project include being able to define why the department needs to focus on employee retention, what is currently being done to retain employees, why employees have

left or may leave the organization and what strategies can be implemented to improve employee retention. The department needs to focus on employee retention to save money and to make the department more effective. The department's current employee retention tools include a local Leadership Development program and an educational incentive program. The literature review and employee interviews both show that the department needs to do more. The project also defined why employees have left or may leave the organization. The predominant theme in both the literature review and the employee interviews was not that our employees or employees in general want great monetary compensation, but instead showed that employees leave organizations due to not having a positive work environment, poor communications, or a poor relationship with their superiors. During the research it became clear that the strategies to improve employee retention needed to focus on the reasons employees leave. Leaders in the Salem Fire & EMS Department or other organizations must make employee retention a primary objective and create positive work environments, improve communications, and develop effective relationships with their subordinates.

Discussion

During the research for this project many hours were spent reviewing what experts in the field of human resources management think about employee retention programs. It was amazing that most all of the authors agreed with each other in their writings. In the *Chief Officer* manual developed by the IFSTA (2004, pg. 200), there is a call for chief fire officers to make employee retention a priority due to the fact that firefighter turnover affects the overall operations of a department and not just the cost of replacing the out going firefighter. The book correctly identifies the fact that when a firefighter leaves an organization the department becomes weaker, especially if the firefighter had more than 10 years of seniority.

The articles by R. Thompson (Thompson, 2004) and R. Blake (Blake, 2006) demonstrate the budgetary problems that employee turnover creates. Thompson argues that the loss of “intellectual capital” needs to be included when organizations factor what employee turnover actually costs the organization. She includes an estimated employee turnover cost of \$100,000 for highly skilled positions. Blake gives a basic formula that can be utilized to figure employee turnover cost, based on the employee’s annual income. Blake like Thompson also argues that employee turnover costs can exceed \$100,000; his formula for figuring employee turnover cost is 150% of an employee’s annual salary. Both of the authors make the point that employee turnover cost is a real cost, and includes the cost of the hiring process, training, and reduced productivity of the new employee. Thompson’s and Blake’s articles demonstrate the importance of focusing on employee retention as a management strategy because of the cost incurred by an organization every time an employee leaves.

The articles by R. Powers (Powers, 2007) and T. Griffith (Griffith, 2006) both deal specifically with agencies that deliver fire and EMS services. Both of these authors make the point that the fire service is no longer made up of barely educated personnel who only know how to put out fire, but is now made up of highly talented and skilled personnel that are highly recruited and sought after by other organizations. Powers article specifically highlights the fact that fire service organizations that employ ALS personnel are competing with not only other fire service organizations, but also with hospitals and private transport agencies. Griffith’s article makes the argument that fire chiefs can no longer figure that employees should be just “glad to have a job” (Griffith, 2006). He accurately demonstrates that fire chiefs that don’t make employee retention a priority may be in trouble as they begin to lose personnel to other agencies.

These articles should serve as a wake up call for fire service leaders, and both demonstrate why employee retention should be a priority.

The literature review shed light on the general reasons employees leave organizations, and the employee interviews identified reasons employees have left the organization or are considering leaving the organization. It was interesting that all of the authors agreed that monetary compensation was not the primary reason that employees leave organizations. One author pointed out that compensation and benefits become part of the retention problem, when other factors cause the employee to look elsewhere (Hamlin, n.d).

In an article by R. Blake (Blake, 2006) the author identifies that a poor relationship with an employee's supervisor is one of the top reasons employees leave organizations. Blake's argument is backed up by an article on the IAAP website (www.iaap-hq.org). This article identifies poor management as the top reason employees leave. Both articles serve to solidify the importance of employee-management relationships in employee retention. The articles suggest that the relationship between superiors and subordinates play a large factor in employee retention, a larger factor than even monetary compensation. Swinhart's (Swinhart, 2007) article focuses on retaining specifically EMS providers. He agrees with both Blake and the IAAP article that poor leadership is one of the primary reasons employees leave organizations.

During the employee interviews, much of the same employee retention problems that were identified in the literature review were identified as problems with employee retention within the Salem Fire & EMS Department. The types of problems dealt mostly with the way employees perceived their relationship with management. Lack of interaction with upper management, poor communications, lack of vision or direction, and low morale were all

identified as specific retention problems faced by the department. These types of problems are reflected in most of the published literature reviewed during the project's research.

The literature review and the employee interviews both identified specific reasons employees leave or consider leaving organizations. The majority of these reasons were due to lack of communications, relationship with management, and a feeling of inclusion in the organization. The research proved very effective in identifying the reasons employees leave or consider leaving organizations.

The last part of the research was to identify effective retention techniques, principles or practices that are in place in other organizations, including the Salem Fire & EMS Department. The research included an extensive literature review and creating a list of suggestions from current and past employees through an interview. The literature interestingly focused on very simple methods to make the workplace a better place to be for employees, and not on monetary compensation of other expensive programs. In his book the former Disney World executive L. Cockerell (Cockerell, 2008) points out that simple, honest employee appreciation goes a long way in creating satisfied employees. Cockerell specifically argues that managers must be trained to ensure that they understand these principles, and must be emphasized periodically (Cockerell, 2008, 114-117).

Cockerell's arguments that managers are the key piece in creating satisfied employees who are more likely to stay with the organization is in step with the article written by management consultant G. Smith. Smith also believes that employees want to feel appreciated and have a purpose in the organization (Smith, 2000). He, like Cockerell feels that managers should truly care about their subordinates in order to ensure they stay with the organization.

In the book *Fire Service Personnel Management*, written by S. Edwards, the author seems to agree with both Cockerell and Smith that a positive work environment is needed to ensure employee retention. He emphasizes the five factors that help to create and maintain a positive work environment as fairness, respect, trust, flexibility and sensitivity (Edwards, 2010, 49-50). These five factors come from good positive management practices designed to increase employee satisfaction and employee retention. In his article P. Michelman also agrees with the other authors in the fact that the solutions to employee retention problems needs to come from managers personally trying to meet the needs their subordinates (Michelman, 2003). Michelman suggests that supervisors need to make employees feel comfortable and motivated to stay with the organization. All of the research demonstrated that the most important method of employee retention is creating a positive work environment where employees feel good about the organization and their place in the organization.

The employee retention suggestions gathered during the employee interviews agreed with the previously cited authors. The employees wanted to feel like they were part of the organization through more interaction with upper management where they could offer suggestions and be part of the planning process. Other suggestions were delegating additional tasks and responsibilities, better communications, employee recognition programs, and expanding the promotional opportunities within the department. During the interviews there was never a suggestion of giving more compensation or benefits, but there was quite a few firefighters wanting to be included in decision making and planning. This alone suggests that the authors were correct in their assumptions that employees want to feel that they are part of the organization, and the importance of managers talking to their subordinates to find out what motivates them.

As a newly promoted Deputy Chief of the Salem Fire & EMS Department, I found the information presented in the review of the literature and the employee interviews very valuable. The literature review demonstrated that there is a need for employee retention, and the true cost of losing employees is not always immediately ascertained. The literature review also gave me a good idea of what motivates employees to leave an organization and what can be done to motivate employees to stay. Many of the books and articles cited and reviewed during the research of this project will be utilized as a reference as I continue in my career. The employee interview portion of the research allowed me to get out and interview individual fire companies and created a two-way communication channel to discuss employee retention and find out what issues really affect our personnel. The results of the project were amazing and will allow me to personally do what I can to ensure that employees feel like they are involved with the organization and that their voices are heard.

The Salem Fire & EMS Department is a fairly progressive department that prides itself in having some of the highest trained personnel in the State of Virginia. This may be the reason personnel are leaving the organization to take higher positions in other departments. The research conducted demonstrated weaknesses in employee retention efforts within the department, and the possible cost to the department if these weaknesses are not addressed. The research also revealed why some personnel have left the organization, and why some personnel may be presently considering leaving the organization. The research identified several effective strategies that are utilized by other organizations that can be implemented within the department to increase employee retention. The research also allowed current and past employees to suggest ways they feel the department can improve employee retention. Most of the authors suggested

that employees want their voices heard; the employee interviews gave personnel a chance to recommend changes to the department and have a voice in future initiatives.

Recommendations

The problem is the Salem Fire & EMS Department has lost more than 10 employees to other organizations in the last 10 years. The research identified the importance of making employee retention a management priority, what the department is currently doing to retain its employees, identifying why personnel leave organizations and what other organizations are doing to retain their current employees. After conducting the research the recommendations to improve employee retention without increasing cost involve improving employee morale, increasing employee involvement within the organization, and ensuring all levels within the organization focus on employee satisfaction and retention.

The literature review and the employee interviews identified employee morale as a major reason employees chose to stay with or leave an organization. To improve employee morale several low cost solutions can be implemented. The department can start an annual employee award program in which awards will be given for such things as firefighter of the year, ALS provider of the year, fire officer of the year, etc. The awards can be given out at a low cost luncheon in which upper management personnel will cook and serve the meal. Award recipients will be acknowledged by a certificate and the local media will be invited to attend. The annual employee award luncheon will also allow the Fire Chief to recognize individuals that achieve certain advanced certifications and programs such as fire officer certifications, EMT-Intermediate/paramedic certifications and completion of programs such as the Virginia Fire Officer Academy or the NFA Executive Fire Officer program. The awards program will serve to mitigate several employee retention problems identified in the research such as recognition,

communications, and employee involvement. The department also needs to implement promotional ceremonies for newly promoted personnel. As of the writing of this research paper, there is no formal promotional ceremony personnel are given their promotions in the Fire Chief's office and a memo is sent out to all employees notifying them of the promotion. To improve employee morale and correctly recognize the newly promoted employee, a formal promotional ceremony needs to be held with the officer's shift and family present. This will not only improve morale for the new officer, but many of the personnel interviewed said that they felt a promotional ceremony would increase morale for everyone as they would feel better about the organization. The last recommendation involving employee morale would be to create an annual employee survey to assess the morale of the department. This survey will allow personnel to identify issues that affect their job satisfaction, as well as to make recommendations that can be utilized to increase morale. The majority of personnel interviewed expressed an appreciation for having their thoughts and ideas considered; a survey will allow everyone to have a voice in improving job satisfaction and employee retention.

The next group of suggestions includes increasing employee involvement. One of the problems identified in both the literature review and the employee interviews was a lack of communication between management and employees. The Salem Fire & EMS Department's fire administration building is separate from the three fire stations creating a disconnect as senior officers sometimes do not come in contact with line personnel for several days. With a small administrative staff, staff officers are sometimes tasked with handling multiple projects at a time. This leaves little time to get out and talk with line personnel and find out what issues may be emerging that affect employee morale. Periodic staff meetings need to be held with the officer in charge of each shift so that information can be passed on from senior staff to line personnel.

During these meetings employee retention issues need to be placed on the agenda and employee morale and job satisfaction issues should be discussed. The department has monthly executive staff meetings where the Fire Chief, Deputy Chief, Fire Marshal, Training Officer, EMS Coordinator, and Shift Commanders meet and discuss operational and strategic issues. There are minutes taken at the meeting, but after the meeting everyone goes on to their respective duties. Many times nothing discussed in the meetings is distributed to the line personnel. The meetings are held on a rotating basis, so that each shift is working quarterly (ex. Jan. – A-shift, Feb. – B-shift & Mar. C-shift). The Fire Chief and Deputy Chief should use the time after these meetings to go out to the three fire stations and discuss some of the items that were covered in the executive staff meeting. These meetings will allow senior staff to discuss the strategic and financial issues facing the department, while allowing line personnel to talk about what issues are bothering them. Although these meetings will take time out of the Chiefs' schedules, they will prove beneficial in fixing the communication problems identified in the research. A suggestion box or other vehicle to allow employees to make suggestions to improve the organization needs to be established. These suggestions should be taken seriously and feedback should be provided to the employee making a suggestion, whether the department will implement the idea or not. If a suggestion by an employee is implemented and the department's overall effectiveness is improved, then the employee will receive some type of reward, such as a day off. The suggestion box will increase employee involvement and encourage everyone in the department to continuously think about improving the organization. The suggestion box will allow employees to have an active voice in the organization, while making the department a more desirable place to work.

The next series of recommendations involve ensuring that employee retention is an important part of all levels of management's job duties. First, employee retention needs to be addressed in the department's overall strategic plan demonstrating to firefighters and fire officers that employee retention is taken seriously by the department and is part of the department's overall plan. Training should be conducted for all fire officers in coaching employees. Over the years all fire officers have received training in supervision and management but not in coaching employees to be their best. Once the training is complete, the officers at all levels will need to sit down with each of their subordinates and find out what motivates each employee and let the employee set certain achievement goals. Then quarterly the officer will need to meet with each employee and find out if there has been progress made in achieving the goals or if the goals need to be changed. This will hopefully demonstrate to the employees that management actually cares about their success and as suggested in the article by G. Smith (Smith, 2000) ensure that one on one interactions are effective. Senior staff should also conduct a study of all the tasks and responsibilities that need to be accomplished for organizational effectiveness, then identify the tasks that can be delegated. Once these tasks are identified, meetings with operations personnel need to be held to find out if there is anyone interested in taking on the additional responsibility. The research conducted revealed that some employees want to have additional responsibilities in order to feel like they are an important part of the organization. Spreading the responsibilities around will also allow senior officers to focus on long range planning. Making employee retention part of the strategic plan, training fire officers in coaching skills and delegating tasks will demonstrate to personnel that they are an important part of the organization and will make employees less likely to feel disenchanting with the organization.

There were many more ideas presented in the literature review and in the employee interviews; however, these recommendations seemed to be the most effective to implement. They were developed to solve the problem of employees leaving the organization. The purpose of this research was to identify ways to retain personnel in the Salem Fire & EMS Department without increasing cost. The recommendations developed during this research project, if implemented, will increase employee retention with minimal cost. Future readers will need to continue to study current strategies in employee retention as society and the workforce changes. As in the research conducted during this project, they will also need to look at their organization and identify employee retention problem in order to effectively develop employee retention solutions.

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Appendix A

Salem Fire & EMS Employee Retention Interview Questions (Current Employees)

1. How long have you been employed with the Salem Fire & EMS Department and what rank or position do you currently hold?
2. Why did you choose to come to work for the department and why have you continued to work for the department?
3. Why do you feel personnel have left the department or are considering leaving the department?
4. What are some specific retention problems the department faces?
5. What types of changes do you recommend the Salem Fire & EMS Department do to retain its current employees?

Appendix B

Salem Fire & EMS Employee Retention Questionnaire (Previous Employees)

1. How long were you employed with the Salem Fire & EMS Department and what rank or position did you hold when you left the organization?
2. Why did you choose to leave the department?
3. What do you feel the Salem Fire & EMS Department could have done better to retain you as an employee?
4. What types of changes do you recommend the Salem Fire & EMS Department do to retain its current employees?
5. Does your current employer have an employee retention program? If you answered yes, what are the major components of the program?

Appendix C



Salem Fire & EMS Educational Incentive Program
(Annual incentive distributed each September)

Masters Degree.....	\$2,000
Bachelors Degree.....	\$1,500
$\frac{3}{4}$ Bachelors Degree (<i>min. of 90 credit hours</i>).....	\$1,100
Associates Degree (<i>60 credit hours</i>).....	\$800
Career Studies Diploma (<i>30 credit hours</i>).....	\$500